

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

CORRECTED ADMINISTRATIVE ORDER DHC-3035

Yates Petroleum Corporation 105 South Fourth St Artesia, New Mexico 88210

Attention: Mr. Ray Stall

Mocha State Unit No. 1 API No. 30-025-35761 Unit C, Section 2, Township 13 South, Range 34 East, NMPM, Lea County, New Mexico Wildcat-Mississippian (Gas), and Wildcat-Morrow (Gas) Pools

Dear Mr. Stall:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the well bore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

Allocation of production from the well shall be on the following basis unless amended with permission of the Hobbs District Office and copied to this office.

Wildcat-Mississippian Gas Pool	Oil-50%	Gas-52.6%
Wildcat-Morrow Gas Pool	Oil-50%	Gas:47.4%

REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

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Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 12th day of August 2002. This Order corrected on the 21st day of October 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

fori Wrotenberg

LORI WROTENBERY

Division Director

LW/wvj

cc: O

Oil Conservation Division – Hobbs /
State Land Office – Santa Fe